

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF COLUMBIA	)	CASE NO. 10201-B
GAS OF KENTUCKY, INC.	)	

O R D E R

On August 23, 1989, the Commission issued its Order on rehearing in Case No. 10201 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On August 1, 1989, Columbia Gas of Kentucky, Inc. ("Columbia") filed its revised semi-annual gas cost adjustment ("GCA"), which is to become effective September 1, 1989.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission is of the opinion and finds that:

1. Columbia's notice of August 1, 1989 set out certain revisions in rates which Columbia proposed to place into effect, said rates being designed to pass on the wholesale increase in price from its suppliers in the amount of \$1,205,964.

2. Columbia's notice set out a net Special Agency Service ("SAS") refund adjustment of .03 cent per Mcf. This adjustment returns a portion of Columbia's SAS revenues to its customers.

3. Columbia's notice set out a total supplier refund adjustment of 2.15 cents per Mcf, which is composed of .48 cents from a previous adjustment and a current adjustment of 1.67 cents per Mcf.

4. Columbia's notice set out an actual cost adjustment of 2.3 cents per Mcf to return previous overcollections to its customers.

5. Columbia's notice set out a balancing adjustment in the amount of .13 cents per Mcf to reconcile previous balancing and actual adjustments.

6. Columbia's notice set out a fixed charge recovery rate of 10.88 cents per Mcf to recover pipeline contract reformation and take-or-pay charges from its customers.

7. Columbia's gas cost recovery rate of \$3.6365, which includes the fixed charge recovery component, is an increase of 19.04 cents per Mcf. This increase represents the combined effect of the supplier increase, actual cost, balancing, and refund adjustments.

8. The total billing rates proposed by Columbia were calculated using base rate charges approved on October 21, 1988 in Case No. 10201. The rates contained in the Appendix to this Order are based upon the rates ordered into effect by the Commission's Order of August 23, 1989 in Case No. 89-228. Columbia has advised the Commission that these rates were placed into effect on August 25, 1989.

9. Columbia's filing of August 1, 1989 included supplementary information concerning its actual adjustment for which it requested confidentiality. Confidentiality should be granted pending Commission review of all gas supply confidentiality requests.

10. Columbia's adjustments in rates under the purchased gas adjustment provisions approved by the Commission in its Order on rehearing in Case No. 10201, dated August 23, 1989 are fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after September 1, 1989.

IT IS THEREFORE ORDERED that:

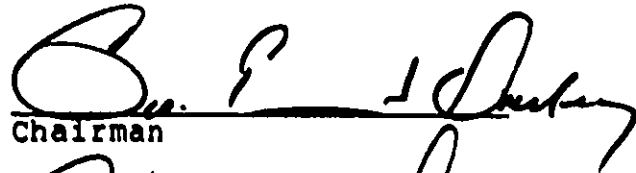
1. The adjusted rates in the Appendix, attached hereto and incorporated herein, are authorized effective with gas supplied on and after September 1, 1989.

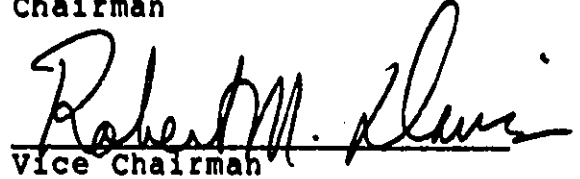
2. Within 30 days of the date of this Order, Columbia shall file with this Commission its revised tariffs setting out the rates authorized herein.

3. Columbia's supplemental information shall be accorded confidential treatment pending the Commission's review of all gas supply confidentiality requests.

Done at Frankfort, Kentucky, this 1st day of September, 1989.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

Executive Director, Acting

# APPENDIX

## APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 10201-B DATED 9/01/89

The following rates and charges are prescribed for the customers served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

### CURRENTLY EFFECTIVE BILLING RATES

	Base Rate Charge \$	Gas Cost Adjustment <u>1/</u> \$	Total Billing Rate \$
<b>RATE SCHEDULE GS</b>			
<b>Customer Charge:</b>			
Residential	4.20		4.20
Commercial or Industrial	10.50		10.50
<b>Volumetric:</b>			
First      2 Mcf/Month	1.3721	3.6365	5.0086
Next      48 Mcf/Month	1.3421	3.6365	4.9786
Next      150 Mcf/Month	1.3121	3.6365	4.9486
All Over 200 Mcf/Month	1.2821	3.6365	4.9186
<b>Delivery Service:</b>			
Demand Charge			
Demand Charge times			
Firm Mcf Volume in			
Customer Service Agreement		5.6990	5.6990
Firm	1.2821	.0473	1.3294
Interruptible	0.6500	.0473	.6973

# RATE SCHEDULE FI

Customer Charge:	105.00		105.00
Customer Demand Charge: Demand Charge times Firm Mcf Volume in Customer Service Agreement		5.6990	5.6990
Commodity Charge-All Volumes	0.4310	3.6365	4.0675
Delivery Service: Interruptible	0.4310	.0473	.4783

# RATE SCHEDULE IS

Customer Charge:	105.00		105.00
Commodity Charge	0.4310	3.6365	4.0675
Delivery Service Interruptible	0.4310	0.0473	0.4783

# RATE SCHEDULE IUS

For all Volumes Delivered each Month <u>Delivery Service</u>	0.1150 0.1150	3.6365 0.8021	3.7515 0.9171
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1/ The Gas Cost Recovery Rate, as shown, is an adjustment per Mcf determined in accordance with the "Semi-Annual Gas Cost Adjustment Clause" as set forth on Sheets 80 through 82 of this tariff.